DOWNTOWN SPOKANE BUSINESS IMPROVEMENT DISTRICT (BID)

2027 MANANGEMENT PLAN & BUDGET

As the economic, civic, cultural, and employment center of the region, downtown Spokane plays an essential role in the success of the entire community. A thriving downtown supports local businesses, attracts investment, generates tax revenue, creates jobs, hosts community events, and serves as a destination for residents and visitors alike. Sustaining this environment requires daily, coordinated, on-the-ground work that keeps downtown safe, clean, welcoming, and economically competitive.

As manager of the Downtown Spokane Business Improvement District (BID), the Downtown Spokane Partnership (DSP) delivers enhanced services on behalf of BID ratepayers to support a stronger downtown while also advancing broader community goals for economic vitality, public safety, neighborhood livability, and civic pride.

For more than three decades, the DSP has exclusively managed the BID, deploying ambassadors, maintaining public spaces, supporting businesses, coordinating stakeholders, and building partnerships that strengthen Spokane's urban core. Our work is grounded in long-standing relationships with property owners, businesses, public agencies, community organizations, event producers, developers, service providers, and elected leaders. Through these relationships, the DSP can identify challenges early, coordinate effective responses, align resources across organizations, and leverage public and private investment to maximize the impact of every assessment dollar.

The BID fuels more than a collection of individual services. It is an integrated management model that combines operations, economic development, marketing, beautification, event activation and stakeholder engagement to advance a shared vision for downtown Spokane: a welcoming place for employees, residents, visitors and community gathering.

A strong downtown does not happen by accident. The BID exists because downtown businesses and property owners collectively invest in services that support their properties, businesses and the broader district. Their assessments are paid with the expectation that funds will support the supplemental services and improvements that strengthen downtown's economic vitality and visitor experience.

To develop the 2027 workplan and budget, the DSP utilized ratepayer feedback gathered through annual surveys and day-to-day interactions and the input from the BID Ratepayer Advisory Board representing ratepayer interests. Collectively, they reinforced the importance of maintaining clean and safe public spaces, supporting downtown businesses, enhancing beautification efforts, strengthening communication, and promoting a positive image of downtown Spokane.

Ratepayers strongly support public safety investments while expecting BID funds to remain focused on enhanced services that directly support downtown businesses, property owners, employees, and visitors. Recognizing that a visible police presence is essential to public safety, business confidence and a welcoming environment that is necessary for downtown's success, the workplan continues the DSP's coordinated approach to public safety leveraging BID-funded safety and hospitality programs alongside the core city responsibility of foot patrols by the Spokane Police Department.

The following 2027 workplan and budget endorsed by the BID Ratepayer Advisory Board on November 10, 2026, recommends the City utilize its recently expanded public safety funding to strengthen downtown police presence while preserving BID-funded services that support economic vitality.

The 2027 BID budget reflects a responsible yet challenging year ahead. While operational stability remains consistent, the reality of rising service costs that have continued to outpace assessment growth stalled by declining property values creates structural funding limitations. The work underway to modernize BID assessment methodology promises to provide a more sustainable model to support operations when achieved.

2027 Priorities

When downtown succeeds, Spokane succeeds. Investments in the BID help support a stronger local economy, a healthier tax base, enhanced public spaces, and a vibrant urban center that benefits neighborhoods and residents throughout the region. In executing the 2027 workplan and budget, the DSP will continue to leverage industry best practices and staff expertise to support a thriving downtown. This work is guided by the DSP's core principles:

Consistency: Provide reliable, visible, and responsive services that ratepayers and the public can depend on every day.

Sustainability: Leverage partnerships, sponsorships, grants, and operational efficiencies to maximize BID resources and ensure long-term service stability.

Excellence: Continue staff development, innovation, accountability, and continuous improvement to deliver the highest level of service possible.

The BID ensures that downtown property owners, businesses, and residents have a direct role in shaping the future of downtown through targeted investments that strengthen our economy, improve the public realm, and create a more welcoming environment for everyone. As public resources become increasingly stretched while downtown faces complex challenges, the DSP is committed to keeping downtown moving forward and ensuring it remains a place where businesses thrive, residents feel connected, and visitors want to spend time.

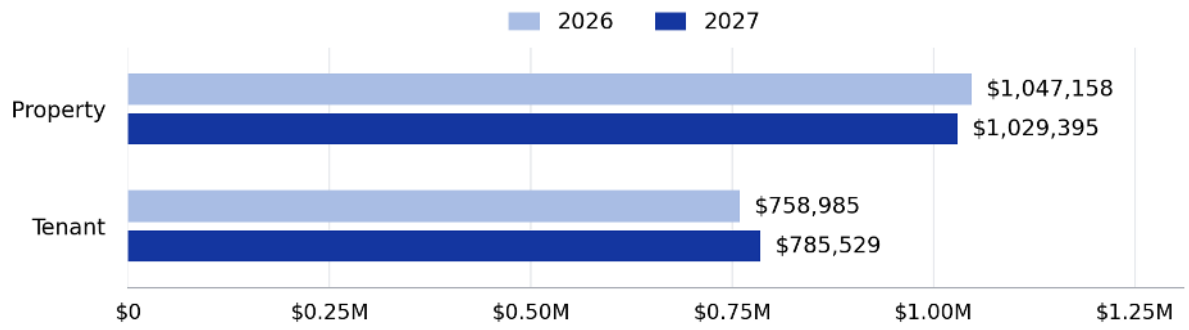
Budget Overview

Projected FY2027 BID revenue is $1,821,677 while proposed expenditures are $1,914,965, resulting in a projected net operating loss of $93,288. Utilizing the fund balance, the proposed budget prioritizes continuity of the core programs prioritized by ratepayers: Clean & Safe, Economic Vitality, Marketing and Activation.

Assessment Overview

The 2027 budget reflects assessment growth of just 0.49% from 2026, despite an annual rate adjustment tied to CPI-U at 3.01%.

Billed roll	2026	2027	Change
Property	$1,047,157.88	$1,029,394.56	-1.70%
Tenant	$758,985.22	$785,528.96	+3.50%
Total	**$1,806,143.10**	**$1,814,923.52**	**+0.49%**



Revenue Sources

2027 assessment revenue is shaped by a shifting property landscape and modest improvement of downtown tenancy. While the DSP works diligently with property owners and managers to accurately report tenant information, there are inevitable changes each year resulting in assessment adjustments that reduce or eliminate some assessments. Keeping with 2026 adjustment rates, we anticipate there will be approximately $12,500 less in assessment revenue than projected due to adjustments. Improved accuracy has similarly reduced the balance of unpaid (uncollected) assessments.

While the rate stands at less than 3% in 2026, a best practice in the industry is to assume a 5% uncollectable rate, reflected in the 2027 projections. Some of that revenue will be made up in future years as past due assessments are paid. Projections assume the BID will receive $5,000 in catch up payment from prior year uncollected balances. Coupled with the City's annual $100,000 supplement for Clean and Safe services and interest earned on funds held in the dedicated BID accounts, the net projected total 2027 revenue for the BID is $1,821,677.34.

Total 2027 BID revenue is projected to decrease by 1.7% from 2026.

Assessment Revenue	2027 Budget
Gross assessment budget	$1,814,923.52
Assessment adjustments	($12,500.00)
Allowance for uncollectible assessments – 5%	($90,746.18)
Prior-year assessment receipts	$5,000.00
Net assessment revenue	**$1,716,677.34**
Service revenue and interest	$105,000.00
Total BID revenue	**$1,821,677.34**

The 2027 budget projected revenue does not assume the City will withhold distribution of any portion of BID assessments.

2027 Expenditures

The 2027 budget and workplan reflects the priorities identified by ratepayers and the Ratepayer Advisory Board while maintaining the proven services and operational excellence that have strengthened downtown Spokane for more than 30 years. While revenue is projected to decrease by 1.7% in 2027, the cost of providing services, particularly staffing, supplies, and insurance, continues to rise at approximately 14%. The DSP has carefully considered where efficiencies and streamlining can create cost savings and has accordingly been successful in limiting expenditure growth to only .28%.

Program	2027 Budget
Board and governance	$6,480
Administration	$250,161
Total Administration – 13%	**$256,641**
Clean & Safe operations	$293,791
Public safety and security	$474,000
District beautification	$464,264
Total Common Area Services – 64%	**$1,232,055**
Economic vitality & business support programs	$232,129
Downtown marketing	$8,115
Ratepayer services and events	$3,000
Total Economic Vitality – 13%	**$243,244**
Place activation programs & promotions	$175,775
Place enhancement operations & maintenance	$7,250
Total Programming and Place Enhancement – 10%	**$183,025**
Total expenditures	**$1,914,965**

Despite prudent cost management, inflationary pressures, declining property values and tenant vacancies have eroded the BID's projected position in 2027. To restore BID designated reserves, it will be crucial to modernize assessment methodology by 2029.

2027 Fund Balance	2027 Budget
Projected beginning fund balance	$93,288
Budgeted revenue	$1,821,677
Budgeted expenditures	($1,914,965)
Projected ending fund balance	**$0**

Staffing and Service Delivery

The 2027 BID budget funds approximately 17.11 full-time equivalents (FTEs) across common area services (clean and safe), economic vitality, programming and administration. One full-time equivalent represents 2,080 budgeted hours annually.

BID program area	FTEs
Administration	1.29
Common Area Services coordination	12.58
Economic Vitality	2.00
Programming and Place Enhancement	1.24
Total FTE allocated to the BID	**17.11**

This does not include FTEs additionally employed by the DSP in support of BID-funded programs.

2027 WORKPLAN AREAS

Reliable Cleaning & Coordinated Safety

Ratepayer feedback consistently identifies public safety and cleanliness as top priorities. In 2027, total spending on clean and safe services will grow nearly 7% from 2026, representing 64% of the total budget. DSP will build on its existing services and partnerships to improve conditions throughout the district. Activities will include:

- Continued deployment of Security & Hospitality Ambassadors and Clean & Green Ambassadors throughout the BID, Monday-Friday (6 a.m. – 8 p.m.); Saturday (8 a.m. – 8 p.m.) and Sunday (8 a.m. – 6 p.m.).
- Consistent, uniform coverage throughout the district to identify issues, report emergencies/crime and make contacts, when appropriate.
- Seasonal emphasis patrols during peak activity periods and special events, including the holiday season and high traffic events.
- Graffiti, litter, debris, and other visual blight removal quickly and consistently.
- Maintenance of sidewalks, crosswalk access areas, and streetscape amenities.

- Supporting connections to appropriate housing, behavioral health, and social service resources for unhoused individuals and those in crisis in downtown public spaces.
- Expanded education and partner coordination to support safer, more welcoming environments, in particular public safety resources.
- Hotspot mapping using data and reporting to identify trends and proactive opportunities.
- Strengthened reporting systems and service request tracking, including ongoing support for 311 with the city's public safety transition.
- Coordination with city departments, law enforcement, property owners, and service providers on nuisance conditions.
- Continued investment in ambassador training related to safety, crisis response, de-escalation, customer service, and downtown resource navigation.
- Coordination of monthly meetings with property owners, city departments, law enforcement, outreach providers, and service organizations to proactively address emerging challenges and improve downtown conditions.

Common Area Services	2026 Budget	2027 Budget
Clean & Safe Operations		
100 Payroll, benefits, & contributions	138,465	77,945
200 Supplies	2,425	1,494
300 Professional and Other Services	27,605	191,021
500 Fixed Costs	46,799	23,331
Total Clean & Safe operations	**215,294**	**293,791**
Public safety and security		
100 Payroll, benefits, & contributions	464,760	470,000
200 Supplies	4,200	2,000
300 Professional and Other Services	100	2,000
Total Public safety and security	**469,060**	**474,000**
Cleaning, maintenance and beautification		
100 Payroll, benefits, & contributions	432,739	442,000
200 Supplies	33,500	16,000
300 Professional and Other Services	1,250	6,264
Total cleaning, maintenance and beautification	**467,489**	**464,264**
TOTAL COMMON AREA SERVICES	**1,151,843**	**1,232,055**

Focusing Support on Economic Vitality

A thriving downtown economy remains essential to Spokane's long-term success. In 2027, DSP will continue supporting businesses, encouraging investment with access to information and insights, build programming that attracts visitors, and promote communications that strengthens public confidence in downtown Spokane. The budget area focused on economic vitality will grow nearly 10% from 2026, representing 13% of the total budget. Activities will include:

- Developing and sending regular ratepayer communications and district updates using eNewsletters, flyers, in person connections and digital platforms.
- Developing and sharing business resources, quarterly market intelligence and economic trend reporting to support decision making, investment, recruitment, and redevelopment efforts.
- Continued direct business outreach and technical assistance.
- Completion of a market assessment that details customer demand, business mix, and opportunities for retail retention and recruitment with a focus on recommendations that staff, businesses, and property owners can effectively put to work.
- Maintenance and continuous improvement of DowntownSpokane.org as a key resource for stakeholders and the public for events, directory listings and information.
- Promotion of positive stories, success stories, and measurable progress occurring downtown.
- Strengthened earned media presence through proactive media outreach and storytelling.
- Elevation of downtown businesses through digital marketing campaigns featuring ratepayer stories, cooperative promotions, and partnerships.
- Campaigns that drive foot traffic through seasonal promotions, events, campaigns, and visitor-focused marketing efforts, including First Friday Art Walk, Wine Downtown, holiday promotions, and others.
- Coordination of bi-monthly marketing meetings with partners and businesses to develop programming, new promotion programs and network for sharing information.
- Continued expansion of the City Squad program to connect downtown employees with retail, restaurant, hospitality, and service offerings.
- Maintaining partnerships that support economic opportunity and downtown inclusivity, including support navigating event permitting, access to supplies and marketing for community organizations activating downtown.
- Education around policies, projects, and investments that support housing, employment growth, and business development in the BID.
- Promotion of transportation, parking, mobility, and accessibility resources that make downtown easy to access, including EasyPark validation program, SmartPark and Commute Smart campaigns.

Economic Vitality	2026 Budget	2027 Budget
Economic vitality program coordination		
100 Payroll, benefits, & contributions	190,244	200,392
200 Supplies	-	114
300 Professional and Other Services	8,582	16,591
500 Fixed Costs	11,805	13,897
Total Economic vitality program coordination	**210,631**	**230,994**
Business support programs		
200 Supplies	300	300
300 Professional and Other Services	5,200	835
Total Business support programs	**5,500**	**1,135**
Downtown marketing		
200 Supplies	-	250
300 Professional and Other Services	3,050	7,865
Total Downtown marketing	**3,050**	**8,115**
Event or program budget	2,500	3,000
Total Annual Meeting and ratepayer meeting	**2,500**	**3,000**
TOTAL ECONOMIC VITALITY	**221,681**	**243,244**

Activation & Enhancement of Public Spaces

A vibrant and attractive downtown environment encourages visitation, investment, business growth, and community engagement. In 2027, the DSP will continue to build and promote opportunities to encourage exploration of the district, build civic pride and enhance the public realm. The budget area focused on programming and activation will decrease by nearly 28% from 2026 largely because ARPA funds were exhausted. Programming and activation represents approximately 10% of the total budget. Our activities next year will include:

- Maintaining sidewalk planters and hanging baskets May through October as well as off-season enhancements, including tulips in Spokane Falls Blvd in ground planters and winter grasses in high traffic corridors.
- Managing street pole banners and hardware, with coordination of installation and removal for community events as well as seasonal commemorative flags along Main Ave.
- Enhancing seasonal decorations in alleys, plazas and other public realm areas to enhance underutilized spaces and strengthen downtown gathering places.

- Ongoing partnership with the City's Urban Forestry Dept. to support the health and replacement of downtown street trees while also working with adjacent property owners to address tree grates, lights and outlets.
- Activations in downtown public spaces, including Après Holiday, Post Street Workouts, World on Wall, Fall Fest, and Merry & Magical Holidays.
- Assisting event organizers through coordination, promotion, and technical support.
- Expanded public art opportunities that celebrate Spokane's creativity and diverse communities.
- Beautification projects that improve walkability, sustainability, and overall district appearance, including the next phase of Vintage Alley.
- Improvements to public infrastructure that facilitate future programming and activation.
- Developing printed and digital maps, window graphics, and temporary directional signs to encourage downtown exploration.

Programming and Place Enhancement	2026 Budget	2027 Budget
Place activation program coordination		
100 Payroll, benefits, & contributions	137,765	136,509
200 Supplies	-	316
300 Professional and Other Services	8,005	18,593
500 Fixed Costs	18,145	19,957
Total Place activation program coordination	**163,915**	**175,375**
Community Events & Promotions		
Event or program budget	31,750	400
200 Supplies	275	-
300 Professional and Other Services	8,050	-
Total Community Events & Promotions	**40,075**	**400**
Place enhancement operations & maintenance		
200 Supplies	49,350	6,000
500 Fixed Costs	-	1,250
Total Place enhancement operations & maintenance	**49,350**	**7,250**
TOTAL PROGRAMMING AND PLACE ENHANCEMENT	**253,340**	**183,025**

Managing for Success

Strong management, transparency, and responsible stewardship remain central to BID operations. In 2027, the DSP will continue to improve efficiencies, innovate and deliver best in class service. The budget area focused on administration will decrease 9% from 2026, representing 13% of the total budget. Activities will include:

- Maintenance of accurate and current business and property records for assessment administration.
- Hosting an annual Ratepayer Meeting in February and supporting regular meetings of the Ratepayer Advisory Board and committees.
- Conducting regular ratepayer outreach and at least annually survey ratepayers to inform future priorities.
- Developing annual budgets and workplans based on ratepayer feedback and Ratepayer Advisory Board guidance.
- Maintaining financial compliance with all applicable state and local requirements as well as national accounting standards.
- Completion of an independent annual audit with transparent reporting.
- Tracking performance metrics and providing regular updates regarding service delivery and district outcomes.
- Continuing to build strong relationships with businesses, property owners, public agencies, and community partners to ensure BID services remain responsive to evolving needs.

Administration	2026 Budget	2027 Budget
Board and governance		
200 Supplies	475	300
300 Professional and Other Services	500	2,500
500 Fixed Costs	4,400	3,680
Total Board and governance	**5,375**	**6,480**
Administration		
100 Payroll, benefits, & contributions	176,480	155,173
200 Supplies	4,975	4,598
300 Professional and Other Services	57,862	51,033
500 Fixed Costs	36,095	39,357
900 Capital Outlay	1,875	-
Total Administration	**277,287**	**250,161**
TOTAL ADMINISTRATION	**282,662**	**256,641**

Delivering Value for Ratepayers

The 2027 BID budget reflects a realistic financial position for the year ahead. It maintains core services, implements fair and equitable assessment practices, and acknowledges that rising service costs and declining property valuations limit reserve recovery. Despite these challenges, BID operations remain financially stable, well-managed, and aligned with modernization priorities.

The DSP remains committed to delivering exceptional service to BID ratepayers through transparent governance, responsible management, and consistent delivery of high-quality services. As downtown continues to evolve, the DSP will remain responsive to ratepayer priorities while pursuing innovative and sustainable solutions that strengthen economic vitality, enhance quality of life, and support a cleaner, safer, and more vibrant urban core.

The 2027 workplan and budget is submitted with unanimous support of the BID Ratepayer Advisory Board with the ask that the City:

- **Protect the BID's core focus and services** to deliver enhanced services that keep downtown clean, safe, welcoming, and economically competitive.
- **Adopt the Ratepayer Advisory Board's recommended 2027 BID budget** to maintain essential services and continuity for downtown programs and services.
- **Honor ratepayer leadership and decision-making** by meaningfully engaging ratepayers and their Ratepayer Advisory Board in decisions affecting BID priorities, services, and funding allocations
- **Keep BID funds dedicated to ratepayer priorities** through transparent governance, local oversight, and investments that directly benefit downtown.

Understanding the Budget Categories

The expenditure tables organize spending by the program supported and the type of resource required to deliver it.

100 – Payroll, benefits, & contributions. Employee salaries and wages, employee benefits, and employer contributions allocated to each program.

200 - Supplies. Materials used in program delivery and routine operations, including office supplies, operating and program materials, horticultural supplies, and repair and maintenance supplies. This category supports the physical materials needed to carry out district services and activities.

300 - Professional and Other Services. Services purchased to operate and support BID programs. These include accounting and auditing services, IT support, software and subscriptions, utilities, printing and postage, advertising and communications, professional memberships and dues, travel, and staff training. The category also includes portions of sub-contracted services allocated to purchased services. Accounting records retain expenditures in the contracted-services account where services, personnel and purchases are combined.

500 - Fixed Costs. Ongoing business and occupancy costs, including rent, insurance, assessments, taxes, permits, and bank service charges allocated to each program.

900 - Capital Outlay. Equipment or other long-lived asset purchases budgeted separately from routine operating expenses. No expenditure is proposed in this category for 2027.

Event or program budget. Direct allocations for the meetings, events, or promotions identified in the programs. These amounts are presented as activity budgets rather than divided among the individual expense categories in the summary presentation.

Learn more about the BID at www.DowntownSpokane.org/ratepayers.